

Message Text

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ACTION PM-05

INFO OCT-01 ARA-10 ISO-00 CIAE-00 DODE-00 H-01 INR-10
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ACDA-12 MCE-00 /076 W
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R 181638Z MAY 78
FM AMEMBASSY QUITO
TO SECSTATE WASHDC 8281
INFO AMEMBASSY LAPAZ
AMEMBASSY LIMA
AMEMBASSY SANTIAGO

C O N F I D E N T I A L QUITO 3367

E.O. 11652: GDS
TAGS: MASS, EC
SUBJECT: GOE INQUIRY ON TOW

REF: A) STATE 113103; B) 77 STATE 207984

1. SUMMARY: GOE INQUIRY ON TOW REFLECTS CONTINUING CONCERN WITH PERUVIAN POTENTIAL AND INTENTIONS. ITS ACQUISITION WOULD INCREASE THE RANGE OF ECUADOREAN FIRST-LINE ANTI-TANK DEFENSE, BUT NOT OVERALL ABILITY TO WAGE WAR. EMBASSY IS AWARE THAT GOE IS CONSIDERING SIMILAR SYSTEMS FROM SEVERAL COUNTRIES, AND BELIEVES WE SHOULD AT LEAST PROVIDE P&A DATA ON TOW FOR ITS USE IN COMPARISON. REVIEW OF PROS AND CONS LEADS EMBASSY TO CONCLUSION THAT WE SHOULD SELL THE SYSTEM IF GOE FORMALLY REQUESTS IT. END SUMMARY.

2. GOE EFFORT TO ACQUIRE TOW, OR EQUIVALENT, ANTI-TANK MISSILE SYSTEM IS LOGICAL EXTENSION OF RECENT PURCHASE OF LAW'S AND 90 AND 106MM RECOILLESS FIRMS. IT REFLECTS CONTINUING ECUADOREAN MILITARY AND GOE CONCERN OVER PERUVIAN POTENTIAL AND INTENTIONS, WITH PARTICULAR REFERENCE TO OVERWHELMING ARMOR SUPERIORITY OF PERUVIAN
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ARMY. GOE NATIONAL SECURITY CONCERNS HAVE BEEN SUBJECT OF NUMEROUS EMBASSY REPORTS AND MOST RECENTLY WERE CONVEYED DIRECTLY TO DEPARTMENT AND DOD BY MEMBERS OF JOINT COMMAND DURING RECENT VISIT TO WASHINGTON (STATE 107555).

3. GOE INTENDS TO DEPLOY ANTI-TANK MISSILES WITH INFANTRY UNITS THAT WOULD PROVIDE FIRST LINE OF DEFENSE

IN EVENT OF PERUVIAN ARMOR ATTACK, PRIMARILY THE BATTALIONS OF THE EL ORO, GUAYAS AND LOJA BRIGADES. EMBASSY DOES NOT KNOW HOW MANY LAUNCHERS OR MISSILES THE GOE INTENDS TO ACQUIRE. OUR EDUCATED GUESS WOULD BE SOME 50 LAUNCHERS AND UP TO 300 MISSILES.

4. ACQUISITION OF TOW WOULD SUBSTANTIALLY INCREASE RANGE OF ECUADOREAN ANTI-TANK DEFENSES. HOWEVER, IT WOULD ADD ONLY MARGINAL EFFECTIVENESS TO OVERALL MILITARY CAPABILITY, AND WOULD HAVE NO IMPACT ON ECUADOR'S ABILITY TO WAGE AGGRESSIVE WAR.

5. WHILE WE DEFER TO EMBASSY LIMA FOR AN ASSESSMENT OF THE IMPACT AN ECUADOREAN TOW PURCHASE MIGHT HAVE ON THE PERUVIAN MILITARY OR THE GOP, WE DO NOT BELIEVE IT SHOULD BE SEEN AS A THREAT. IN THE OPTIMUM SCENARIO, THE TOW COULD CAUSE THE PERUVIAN MILITARY TO RECONSIDER ANY CONTINGENCY PLANS IT MIGHT HAVE INVOLVING PREEMPTIVE GROUND ACTION AGAINST ECUADOR, AND THAT WOULD BE A POSITIVE RESULT. NOR SHOULD THE PURCHASE HAVE AN ADVERSE EFFECT ON ARMS CONTROL EFFORTS IN THE SUBREGION. GIVEN THE DEFENSIVE NATURE OF THE WEAPON, WE DO NOT BELIEVE PERU WOULD, OR COULD, ESCALATE IN ORDER TO OVERCOME ITS POSSESSION BY ECUADOR.

6. WE BELIEVE THE ECUADOREAN ARMY IS FULLY CAPABLE OF
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OPERATING AND MAINTAINING THE TOW, WHICH IS, IN ANY EVENT, A RELATIVELY "SOLDIER-PROOF" SYSTEM. NO PERMANENT AMERICAN PRESENCE WOULD BE NECESSARY IN ECUADOR TO SUPPORT THE SALE. WE WOULD ENVISION ARRANGING FOR A SHORT-TERM MTT WHICH WOULD TRAIN SELECT ECUADOREAN PERSONNEL WHO WOULD, IN TURN, TRAIN SYSTEM OPERATORS.

7. IT IS PREMATURE TO SPECULATE ON HOW THE GOE WOULD PROPOSE TO FINANCE THIS PURCHASE. IN FACT, THE EXACT SIZE OF THE PURCHASE IS UNKNOWN AND WOULD DEPEND LARGELY ON PRICE AND PERFORMANCE COMPETITIVENESS WITH ALTERNATIVE WEAPONS. SHOULD FMS FINANCING BE MADE AVAILABLE WE BELIEVE THE GOE WOULD ACCEPT IT. THEY MAY EVEN SEEK IT. HOWEVER, GIVEN CURRENT FMS CREDIT LEVELS IN THE REGION, THE EMBASSY DOES NOT BELIEVE THAT THE GOE WOULD USE ITS LIMITED ALLOCATION TO SUPPORT THIS PURCHASE.

8. AS WE CAN ONLY GUESS AT THE SIZE OF THE PURCHASE, AND HAVE NO CURRENT PRICE FIGURES ON THE TOW, IT IS IMPOSSIBLE TO ACCURATELY PREDICT THE ECONOMIC IMPACT OF SUCH A SALE. ECUADOR IS RELATIVELY STABLE ECONOMICALLY AND HAS NO DIFFICULTY IN OBTAINING LOANS ON THE INTERNATIONAL MONEY

MARKET. IT IS UNLIKELY THAT THE PURCHASE OF THE TOW WOULD FORCE THE GOE TO FOREGO ANY SOCIAL OR ECONOMIC DEVELOPMENT PROGRAMS.

9. THE EMBASSY HAS NO REASON TO BELIEVE THAT SALE OF THE TOW TO ECUADOR WOULD DETRACT FROM THE PRESIDENT'S ARMS TRANSFER POLICY. WHILE NO SOUTH AMERICAN COUNTRY NOW HAS THE TOW, IT HAS BEEN OFFERED IN THE PAST, AND A NUMBER OF COUNTRIES HAVE OTHER, EQUALLY OR MORE SOPHISTICATED, ANTI-TANK WEAPON SYSTEMS. WHILE OBVIOUSLY SUCH A SALE WOULD NOT CONTRIBUTE TO DECREASING QUANTITATIVELY USG ARMS SALES, THAT FACT IS PERHAPS OFFSET BY THE FACT THAT THE SALE WOULD BE SUPPORTING AN ALLY WHICH A) HAS A RELATIVELY GOOD HUMAN RIGHTS RECORD; AND B) IS IN THE PROCESS OF
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RETURNING TO A DEMOCRATIC, CONSTITUTIONAL GOVERNMENT, WHICH, IF ANYTHING, MAY BE EVEN FRIENDLIER AND MORE HELPFUL TO US THAN THE PRESENT ONE. IT WOULD ALSO GIVE A BOOST TO OUR EFFORTS TO CHANNEL ECUADOREAN ARMY INTEREST IN THE DIRECTION OF COUNTER-ARMOR MEASURES WHILE DISCOURAGING ITS ATTEMPTS TO MEET PERUVIAN ARMOR CAPABILITY WITH AN EXTRAVAGANT AND RISKY TANK BUILDUP OF ITS OWN.

10. EMBASSY BELIEVES THAT THE USG SHOULD, IN THE FIRST INSTANCE, MAKE PRICE AND AVAILABILITY DATA ON THE TOW AVAILABLE TO THE GOE (WE SUGGEST BASING P&A ON OUR PARA 2 GUESSTIMATE OF PURCHASE SIZE). IF THE SYSTEM IS EXPENSIVE, THERE IS A STRONG POSSIBILITY THAT THE GOE WILL OPT FOR SOMETHING LESS COSTLY FROM OTHER SUPPLIERS. FINDING A NUMBER OF POSITIVE AND FEW NEGATIVE ARGUMENTS, ON BALANCE WE BELIEVE THE SYSTEM SHOULD BE MADE AVAILABLE, SHOULD THE GOE FORMALLY REQUEST IT. ALTHOUGH ONE CAN QUESTION WHETHER THE GOE WILL EVER HAVE NEED FOR SUCH A SYSTEM, THE GOE IS CONVINCED THAT ADDITIONAL DEFENSIVE, ANTI-TANK WEAPONS ARE NECESSARY FOR ITS NATIONAL DEFENSE BECAUSE OF THE SERIOUSNESS WITH WHICH IT VIEWS THE DESIGNS OF ITS NEIGHBOR. WE WOULD HAVE A DIFFICULT TIME DISSUADING THEM FROM THAT ASSESSMENT. UNDER THESE CIRCUMSTANCES, US REFUSAL TO SELL WHAT IS CLEARLY A DEFENSIVE, AND NOT PARTICULARLY SOPHISTICATED, WEAPON WOULD BE SEEN BY THE GOE AS AN UNFRIENDLY ACT AT ODDS WITH OUR REPEATED ASSURANCES--SOME MADE AT THE HIGHEST USG LEVELS--THAT WE WOULD BE SYMPATHETIC TO LEGITIMATE DEFENSIVE NEEDS.
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